

Message Text

LIMITED OFFICIAL USE

PAGE 01 NEW DE 12854 080434Z

55

ACTION EB-11

INFO OCT-01 NEA-10 ISO-00 L-03 CAB-09 CIAE-00 COME-00

DODE-00 INR-10 NSAE-00 RSC-01 FAA-00 DRC-01 /046 W

----- 062470

R 071230Z NOV 73 ZDK

FM AMEMBASSY NEW DELHI
TO SECSTATE WASHDC 7766

LIMITED OFFICIAL USE NEW DELHI 12854

E.O. 11652: N/A

TAGS: EFIN, ETRN, IN

SUBJECT: CIVAIR: PANAM REMITTANCES

REF: NEW DELHI 12347, STATE 204386

SUMMARY:

PAN AMERICAN REPRESENTATIVES PERKINS AND WOODFIELD LEFT INDIA NOVEMBER 6 WITH INDIAN AGREEMENT ON MODIFICATION OF PROCEDURE FOR HANDLING REMITTANCE OF SUBSTANTIAL BENEFIT TO AIRLINE. GROUNDWORK WAS LAID FOR FURTHER IMPORVEMENT IN REMITTANCE SITUATION, AND EMBASSY WILL FOLLOW UP. END SUMMARY.

1. PAN AMERICAN EXECUTIVES EDWARD D. PERKINS AND DENNIS WOODFIELD LEFT INDIA NOVEMBER 6 AT CONCLUSION OF STAY IN NEW DELHI OF OVER A WEEK. IN MEETING WITH ECON COUNSELOR AND OTHER EMBOFFS OCTOBER 31 THEY AND ART REPPUN, PAN AMERICAN DIRECTOR FOR SOUTH ASIA, OUTLINED OBJECTIVES OF THEIR VISIT. THEY SAID THAT TIE-UP OF FUNDS IMPLICIT IN PRESENT RESERVE BANK OF INDIA REMITTANCE PROCEDURES INVOLVES A HEAVY BURDEN ON PANAM WHICH NOT BORNE BY AIR INDIA IN UNITED STATES. THEY ASKED HELP AND ADVICE OF EMBASSY TO REDUCE RATE OF REJECTION OF INITIAL REMITTANCE APPLICATIONS BY RESERVE BANK OF INDIA (RBI), AND MORE IMPORTANTLY, TO SEEK RBI AGREEMENT A) TO ACCEPT PANAM REMITTANCE APPLICATIONS ON SALES, RATHER THAN RECEIPTS BASIS, AND B) TO REMIT PANAM FUNDS IMMEDIATELY ON APPLICATION SUBJECT TO POST-AUDIT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 NEW DE 12854 080434Z

IN COURSE OF SAME MEETING, PANAM REPRESENTATIVES ASKED EMBASSY

TO APPLY SAME BLANKET DUMMY-P FORM PROCEDURE TO GTR SALES OF TICKETS FOR INDIAN-ORIGIN TRAVEL AS CURRENTLY USED IN REPORTING RUPEE GTR TICKETS FOR TRAVEL ORIGINATING OUTSIDE INDIA. EMBASSY AGREED TO DO SO, AND UNDERTOOK TO NEGOTIATE CHANGED PROCEDURE WITH RESERVE BANK IF LATTER POSES OBJECTION.

2. IN SUBSEQUENT MEETING WITH AMBASSADOR, PANAM WAS ASSURED THAT EMBASSY PREPARED TO PURSUE REMITTANCE MATTER A LEVEL NECESSARY TO GET RESULTS.

3. FOLLOWING MEETINGS EMBASSY PRESENTED MINISTRY OF FINANCE (KRISHNASWAMI) WITH WRITTEN EXPOSITION OF PANAM PROBLEMS AND PROPOSALS WHILE PANAM REPS MADE PARALLEL PRESENTATION TO RESERVE BANK OF INDIA. IN CALL ON RESERVE BANK DEPUTY CONTROLLER, LATTER AGREED ON THE SPOT TO PANAM PROPOSAL ON SUBMISSION OF REMITTANCE APPLICATIONS ON SALES BASIS. AS FOR POST-AUDIT, HE EXPRESSED VIEW THAT MATTER WOULD REQUIRE GOVERNMENT OF INDIA POLICY DECISION, BUT THAT HE SAW NO OBVIOUS IMPEDIMENT TO INSTITUTION OF POST-AUDIT PRACTICE.

4. IN FINAL SESSION AT EMBASSY NOVEMBER 5 IT WAS AGREED THAT EMBASSY WOULD PURSUE POST-AUDIT PROPOSAL WITH RESERVE BANK AND MINISTRY OF FINANCE, WHICH WE PLAN TO DO IN NOVEMBER 8 MEETING WITH KRISHNASWAMI.

MOYNIHAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INDEMNIFICATION, LOCAL CURRENCIES, AIRLINES
Control Number: n/a
Copy: SINGLE
Draft Date: 07 NOV 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973NEWDE12854
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731149/aaaabkfy.tel
Line Count: 86
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: NEW DELHI 12347, STATE 204386
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 19 DEC 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <19-Dec-2001 by shawdg>; APPROVED <11-Jan-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CIVAIR: PANAM REMITTANCES
TAGS: EFIN, ETRN, IN, AIR INDIA, PANAM
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005